

**Report for:** Staffing and Remuneration Committee 26<sup>th</sup> January 2016

**Item number:** 9

**Title:** Shared Business Support

**Report**

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**Ward(s) affected:** N/A

**Report for Key/**

**Non Key Decision:** Non Key Decision

**1. Describe the issue under consideration**

The Shared Business Support programme has been instigated to identify and review all the business support functions embedded within the business units within the council. Any support functions should be shaped as effectively as possible to meet the needs of the organisation and the future financial position, in the context of a £70m reduction, increased self service and protecting frontline services. The purpose of the review is to determine and implement the most effective model of business support to meet the Council's objectives, best utilising the resources for the Council as a whole by creating a professional and efficient service.

**2. Cabinet Member Introduction**

Not Applicable.

**3. Recommendations**

That the Committee note the background and progress update on the Shared Business Support Review.

**4. Reasons for decision**

Not applicable.

**5. Alternative options considered**

The other option considered was to leave the business support reviews to remain within the business units and to be managed on an individual basis. This has been the historical practice and as a result, the business support in the Council is inconsistent and inefficient in many areas, as well as many staff being disaffected. To continue on this route does not allow for the creation and development of a professional workforce providing an efficient and effective service that can be best shaped to meet the needs of the Council as a whole.

**6. Background information**

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The Senior Leadership Team (SLT) has agreed to review business support services across the Council and look at creating a business support function managed centrally by the Shared Service Centre.

By bringing business support services together the Council is aiming to:

- Deliver a more efficient, customer focused service designed to meet the needs of the Council.
- Provide a cost effective service, underpinned by ICT and efficient processes.
- Recognise and develop business support as a profession
- Create clear career paths and progression opportunities for staff
- Give people the training, skills and technology needed to do their jobs
- An agile service that can respond to the needs of the Council more effectively, providing contingency and continuity.

A number of authorities have undertaken and implemented shared business support review, It is important to note that there is not one size fits all and each authority has designed something to meet their individual organisations needs. Whilst the models have varied, each has seen efficiencies of between 20% and 30% have been reported. Specific benchmarking has been undertaken with four authorities Medway, London Borough of Croydon, London Borough of Sutton and Southampton City Council and efficiencies have been as a result of;

- Better management of demand - a consolidated service delivering a true requirement rather than an over-stated requirement by ensuring:
  - Some requirements are placed into self-serve
  - Non value added activities are eliminated
- Better management of supply - delivery of the true requirement in a more effective and efficient way by:
  - Establishing an economy of scale and more efficient resource allocation
  - Standardisation and redesign of business processes
- Improved technology facilitating channel shift and self serve.

The benefit of the benchmarking has enabled us to identify the good practice and learn from the lessons learnt so that we can apply these principles to the councils review.

Progress to date has been focussed on establishing the programme and engaging with the services.

- An appointment to the Head of Shared Business Support has been made; this is an internal appointment initially for 12 months.
- A key piece of work has been the identification of potentially affected roles and staff. As would be anticipated the number of roles and the

definition of business support has varied between services. As a result the nature of the roles ranges from junior support officer roles (SC4 to SC5) to more senior specialist support roles (PO2 to PO4). Currently there are 270 roles that have been identified as potentially in scope and clarity on actual numbers will be finalised following further analysis.

- There has been extensive engagement with Services, this included meeting with the Assistant Directors and their management teams. This has been followed up with further sessions with Heads of Services to delve further into the roles and functions within their teams. There have also been briefing sessions with line managers of potentially affected staff, as well as a presentation at the Corporate Management Group.
- Commenced Engagement with staff and unions, with briefing sessions been held with staff with Unions in attendance, the approach has received positive feedback from the unions.
- Business requirements gathering workshops are underway; this has involved Business Analysts meeting with services and teams to understand business support in their areas as is currently delivered and also to gain an understanding of support requirements in the future as transformation programmes are delivered. The data captured will provide an insight into the type of functions and the volumes, which will help shape the operating model going forward. It is anticipated that options will be available for consideration March / April 2016. The emerging model is one that has a core/generic service that is centralised and more specialist support embedded in service but still centrally managed to enable a more agile and efficient workforce.
- Initial benchmarking activity has been undertaken and further activity is being planned in the new year.
- At the October Resources Priority Board it was determined that an Independent review of the Outline Business Case be undertaken to assess and validate the business case. This is good practice in any circumstance, however as the original Programme Manager is no longer with us and the newly appointed Head of Shared Business Support is already reviewing the programme to date, this will provide

an additional input into the work been undertaken by the Head of Service. This work is looking at reviewing the assumptions and the outline programme as originally proposed to ensure that the revised business case is comprehensive, realistic, and robust and provides value for money. Ultimately providing a firm foundation for the programme going forward.

**7. Contribution to strategic outcomes**

This programme is an enabler to releasing Administration costs in the organisation which contribute to the MTFS.

**8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

**8.1 Assistant Director of Corporate Governance**

In connection with the restructure business support services the Council will need to comply with its Restructure and Redeployment Policies to reduce the risk of successful unfair dismissal claims by staff made redundant as a result of the restructure.

**8.2 Head of Finance**

The cost of this project has been met from approved budgets from the Transformation Fund, it is expected that the efficiency savings identified from the project will exceed the costs of undertaking the review. It is likely that at the conclusion of the project, some budgets will need to be re-aligned to reflect changes in working arrangements and these virements will need to be approved by Cabinet in line with Financial Regulations

**9. Use of Appendices**

Appendix 1 - Presentation to be shared at the committee meeting

**10. Local Government (Access to Information) Act 1985**

Not applicable Not applicable